

Your California Seller's Permit

Your Rights and Responsibilities under the Sales and Use Tax Law



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A Message from the Director

It is a pleasure to welcome you to the company of nearly one million businesses that are registered with the State Board of Equalization. As a seller, you will be reporting taxes to the Board on a regular basis and will most likely have questions regarding your responsibilities under the *Sales and Use Tax Law*. We have staff in 37 field offices who will be glad to help. Please feel free to give them a call. You will find their telephone numbers in chapter 8.

In addition to calling on staff members, you may wish to order publications that are designed to answer questions regarding the application of tax laws for certain types of businesses. Those publications are listed in chapter 10. Other printed material, such as Board regulations and the *Sales and Use Tax Law*, are also listed and may be obtained through a field office or from our Supply Unit in West Sacramento.

We wish you success in your business endeavors and look forward to working with you in the future. We invite your suggestions for ways to improve our services and encourage you to contact us with your comments and recommendations. We look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read "Burton W. Oliver". The signature is fluid and cursive, with a large initial "B" and "O".

Burton W. Oliver, Executive Director
State Board of Equalization

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NOTE: The statements in this booklet are general and are current as of the date on the cover. The Sales and Use Tax Law (Revenue and Taxation Code, Section 6001 and following) is complex and subject to change. If there is a conflict between the law and this booklet, any decisions will be based on the law and not this booklet.

1. Obtaining a Seller's Permit

Who must obtain a seller's permit?

You must obtain a seller's permit if you:

- Are engaged in business in California and
- Intend to sell or lease tangible personal property that would ordinarily be subject to sales tax if sold at retail

The requirement to obtain a seller's permit applies to individuals as well as corporations, firms, partnerships, and so forth. Both wholesalers and retailers must apply for a permit.

If you do not hold a seller's permit but will hold sales of a temporary nature (such as Christmas tree sales and rummage sales), you must apply for a temporary seller's permit. Temporary permits are issued to cover selling operations of a temporary nature—normally lasting no longer than 30 days at one location. Contact your nearest Board office for more information.

What does *engaged in business* mean?

You are engaged in business in California if you:

- Have an office, sales room, warehouse, or other place of business in this state (even if the location is only temporary)
- Have a sales representative, agent, or canvasser operating in this state
- Receive rental payments from the lease of tangible personal property in this state

There are other activities that *may* qualify a selling operation as being *engaged in business* in California. Due to the various rules that apply, you should contact your nearest Board office to determine if you must obtain a permit.

What is meant by *ordinarily subject to sales tax*?

In general, retail sales of tangible personal property in California are subject to sales tax. Examples of tangible personal property include such items as furniture, giftware, toys, antiques, clothing, and so forth.

In addition, some service and labor costs are taxable if they result in the creation of tangible personal property. For example, if you make a ring for a specific customer, you are creating tangible personal property. Therefore, the total amount you charge for the ring (including the charge for labor) would be taxable. This would also be the case if the customer provided the materials for making the ring.

However, labor costs for making repairs (resetting a diamond, for example) are not taxable since they do not result in the creation of tangible personal property. You are only repairing or reconditioning existing property.

Likewise, labor charges to install or apply property which has been sold is not ordinarily subject to sales tax (*note*: the labor charge should be stated separately on the bill).

There are many rules governing what is taxable. You are encouraged to contact a local Board office for information on what is taxable for your business. You may also order a tax tip booklet designed for your type of business or request copies of regulations which explain the law more fully. A listing of available publications appears at the back of this pamphlet.

**How do I apply
for a permit?**

Contact your nearest Board office to request an application. You may have one mailed to you and complete your registration entirely by mail. Or, if you prefer, you may visit a nearby office to obtain an application. Board office telephone numbers are listed at the back of this publication.

**What information is
needed for an
application?**

You will be asked to furnish:

- Your social security number
- The name and location of banks where you have an account
- Your driver's license number
- Addresses of property owned, its value, the amount owed, and to whom payments are made
- Names of suppliers
- Name of bookkeeper or accountant
- Names and addresses of three personal references
- Estimated monthly operating expenses for your business (rent, payroll, payments on equipment, and so forth)
- Anticipated average monthly sales and the amount of those sales which are not taxable

Additional information may be required.

If you have business partners, or if the business is managed by corporation officers, those persons will also be asked to furnish some of the information listed above.

Note: Only the information on your seller's permit and the closeout date of your business, if applicable, are subject to public disclosure.

**Do I need more than
one permit?**

If you have more than one place of business (located on different premises), you may need a separate permit for each location. In some instances it is possible to obtain a consolidated permit for multiple business outlets. At the time you apply for a permit, be sure to provide information for all business locations so that the Board will issue the correct type of permit.

**Is there a fee charged for
a seller's permit?**

No. However, the Board may require a security deposit to cover any unpaid taxes that may be owed if, at a later date, the business closes. The amount of the security will be determined at the time you apply.

**If I am no longer in
business, can I keep my
seller's permit?**

No. Your permit is valid only so long as you are actively engaged in business as a seller. If you are no longer conducting business, you must return your permit to the Board for cancellation. Likewise, the Board may cancel your permit if it finds that you are no longer engaged in business as a seller.

**What are my obligations
as a permit holder?**

As a permit holder, you are required to:

- **Pay sales and use taxes** (see chapters 2, 3, and 4)
- **Keep adequate records** (see chapter 7)

You are also required to notify the Board if you:

- **Change your business address**
- **Change business owners** (incorporating a business, forming a partnership, or changing partners is considered a change of ownership and must be reported)
- **Sell your business** (see chapter 5)
- **Buy another business** (see chapter 5)
- **Discontinue your business** (see chapter 5)

2. Applying Tax to Your Sales and Purchases

As a retailer, you are required to:

- *Pay sales and use taxes*
- *File tax returns*

This chapter provides a general overview of your tax reporting responsibilities. The next chapter includes a description of how to file a sales and use tax return.

What is taxable?

As noted in chapter 1, retail sales of tangible personal property in California are generally subject to *sales tax*. Examples of tangible personal property include such items as furniture, giftware, toys, antiques, clothing, and so forth. In addition, some service and labor costs are subject to sales tax if they result in the creation of tangible personal property.

In some instances, retailers must pay *use tax*, rather than sales tax, to the Board. The most common example of a purchase subject to the use tax is a purchase of an item for use in California from an out-of-state retailer. Out-of-state retailers who are engaged in business in this state are required to collect the use tax, whenever applicable, from the consumer at the time of making the sale (see pages 10-11 for more information on use tax).

The tax rate for sales and use taxes is the same.

Some sales and purchases are exempt from sales and use tax. Examples of exempt sales include, but are not limited to, sales of certain food products for human consumption, sales to the U.S. Government, and sales of prescription medicines. For more information on exempt sales, you should contact staff at your nearest Board field office or request a copy of Pamphlet 61, *Sales and Use Taxes: Exemptions and Exclusions*. (See chapter 10 for information on how to order publications.)

Who is responsible for paying sales tax to the Board of Equalization?

As a seller, you owe the sales tax and are responsible for paying the correct amount to the Board. If you do not pay the correct amount of sales tax, you may be required to pay any taxes that are due, plus penalties and interest if applicable.

Can I collect sales tax from my customer?

Yes. Although you are required to pay and report sales taxes to the Board, you may be reimbursed by your customer for the amount of tax you owe on a sale. For example, if you are required to pay \$1.75 in sales tax on a sale, you may pass that cost on to your customer, provided it is agreed to as part of the sale. It is presumed that the customer agrees to pay the addition of tax if:

- You list a separate amount for sales tax reimbursement on your receipts or invoices;
- You post a sign on your premises stating that sales tax reimbursement will be added to all prices of taxable merchandise, or make a similar statement on price tags, advertising material, and other printed material directed to the purchaser; or
- The sales agreement specifically calls for the addition of sales tax reimbursement.

If you include sales tax reimbursement in your prices, rather than itemizing it separately on your invoices or receipts, you must inform the buyer that tax is included. You can post this information at your premises in a location that is

visible to purchasers; or you can include it on a price tag or in an advertisement (whichever is applicable). Use one of the following statements:

- All prices of taxable items include sales tax reimbursement computed to the nearest mill; or
- The price of this item includes sales tax reimbursement computed to the nearest mil.

**What tax rate should
be applied?**

The standard sales and use tax rate is currently 7.25 percent, statewide.

In some counties the total sales and use tax rate is higher. The reason for this difference is that voters in those counties have approved the creation of one or more special tax districts (each funded by an additional tax rate) to provide revenue for transit projects or other government services. Examples of transit agencies supported by district taxes include the Los Angeles County Metropolitan Transportation Authority and the Bay Area Rapid Transit District. More than three-fourths of all businesses in the state are located in or do business in special tax districts.

**How will I know if I
must report special
district taxes?**

Pamphlet 71, *California City and County Sales and Use Tax Rates*, includes a list of those counties that have adopted ordinances creating special districts. If you have not already received a copy of Pamphlet 71, you may request a copy from one of the field offices listed at the back of this pamphlet. A listing of the special tax districts also appears on the back of the sales and use tax return that you will use to report taxes. (Tax returns are discussed in the next chapter.)

You are subject to special district taxes if you:

- Have a business location or are engaged in business within the district;
- Lease, store, or consume tangible personal property in the district; or
- Sell or lease vehicles, undocumented vessels, or aircraft that will be registered in the district.

You are engaged in business in a district if you are a retailer who:

- Maintains, occupies, or uses any type of office, sales room, warehouse, or other place of business in the district, even if it is used temporarily, indirectly, or through an agent; or
- Has any kind of representative operating in the district for the purpose of making sales, making deliveries, or taking orders; or
- Receives rental income from leases of tangible personal property located in the district.

There are some differences between the rules that apply to the payment of taxes in special districts and the payment of sales and use taxes in general. You should refer to Pamphlet 44, *Tax Tips for District Taxes*, for more information.

**What if I collect
too much sales tax
reimbursement from my
customer?**

If you collect more than the amount of tax due, you must either return the excess amount to the customer or pay it to the state.

**Are barter and
exchanges taxable?**

Yes. The use of barter or exchanges is considered the same as making sales or purchases under the Sales and Use Tax Law. The fair market value of the property or services received is normally the amount to which tax will apply.

For example, assume that you are a retailer of electronic equipment and owe \$500 for dental care. In place of cash, you use a television set from your inven-

tory as full payment. The transaction is considered a taxable sale, and you must report and pay tax based on the \$500.

Are trade-ins taxable?

Yes. The value of a trade-in is considered taxable. For example, if you sold a car for \$20,000 and accepted a trade-in valued at \$4,000 as partial payment, tax would be based on the \$20,000 selling price (that is, you could not deduct the value of the trade-in from the sales price of the car being sold when computing sales tax).

Are delivery and handling charges taxable?

Delivery charges. Tax does not apply to delivery charges if:

- The delivery charges are clearly stated as a separate entry on the invoice or other bill of sale, *and*
- You ship the item directly to the purchaser using the U.S. mail, an independent contractor, or a common carrier, rather than your own vehicles.

Example. Assume that you sell a refrigerator and have it delivered by an independent contract carrier. On the invoice, you show a \$750 charge for the refrigerator plus a separately stated \$50 charge for delivery (the amount charged you by the carrier). Since the delivery charge is stated separately, tax applies only to the charge for the refrigerator (\$750). If the invoice had shown a single charge of \$800, or if you had used your own vehicles to make the delivery, tax would apply to the entire amount.

Note: If you charge more for delivery than your actual costs, the added amount is subject to tax. In the example above, if you had charged your customer \$60 for delivery, but your actual delivery cost was \$50 (the amount charged by the independent contract carrier), tax would apply to the additional \$10 charge.

Handling charges. Handling charges are generally taxable.

Combined charges. If you charge a single amount for delivery and handling (for example, the invoice shows a single amount for “postage and handling” or “shipping and handling”), you must ensure that you properly apply tax. As noted above, the portion of the charge that represents handling is generally taxable. The portion that represents delivery may or may not be taxable (see “*Delivery charges*” above).

Note: It is important to use terms such as “delivery,” “shipping,” or “postage” on the invoice to represent delivery charges. A separately stated charge that says only “handling,” for example, is not considered a delivery charge and is taxable—even if postage or shipment charges are indicated on the package.

For more information on delivery charges, or information on how tax may apply to a specific transaction, please contact your local Board office. You may also wish to obtain a copy of Regulation 1628, *Transportation Charges*.

I make drop shipments on behalf of out-of-state retailers. Am I liable for sales tax?

If you make drop shipments or courtesy deliveries to consumers in California on behalf of out-of-state retailers, you are not liable for tax if the out-of-state retailer holds a California seller’s permit or is required to hold one (an out-of-state retailer who is required to hold a California seller’s permit is considered the retailer and is liable for tax).

However, you are considered the retailer and are generally liable for tax if:

- The out-of-state retailer is not required to hold a California seller’s permit, and
- The retail sale of the property is subject to California sales or use tax

If the California customer is purchasing the property for resale, you are not liable

for tax if you obtain a valid resale certificate from the California customer (see chapter 6).

If you need additional information, please contact the nearest Board office (see page 19).

**If I accept foreign
currency as payment,
how do I figure tax?**

Tax is measured in United States dollars based on the conversion rate of the foreign currency as of the date of the contract for the sale.

**Where can I get more
information?**

It is not possible in the space available to explain what is taxable for every type of business. You are encouraged to use any of the resources listed below to obtain answers to your questions. You may:

- Contact your local Board office and talk to a staff member (see chapter 8).
- Request a tax tip booklet designed to explain what is taxable for your type of business (see chapter 10).
- Request copies of the laws and regulations that apply to your business (see chapters 9 and 10).
- Write to a local Board office for advice regarding the taxability of a particular sale or transaction.

Note: For your protection, it is best to get tax advice in writing. You may be relieved of tax, penalty, or interest charges that are due on a transaction if the Board determines that you reasonably relied on written advice from the Board regarding the transaction. For this relief to apply, a request for advice must be in writing, identify the taxpayer to whom the advice applies, and fully describe the facts and circumstances of the transaction.

- Attend classes offered at some Board offices on how to apply and report taxes. Call your nearest Board office to find out whether it offers such classes (see chapter 8).

3. Reporting Taxes

What is a sales and use tax return?

A sales and use tax return is a form used by holders of seller's permits to report the payment of sales and use taxes to the Board of Equalization. The complete title of the form is *State, Local & District Sales & Use Tax Return* (BT-401 series).

When do I file the tax return form?

When you obtain your seller's permit, you will be instructed to file your tax return on a monthly, quarterly, or annual basis (the determination is based on the volume of sales expected for your business). The Board will send you a tax return form to complete at the close of each reporting period.

Returns must be filed no later than the last day of the month following the reporting period. For example, if your reporting period is quarterly and you are reporting taxes for the period ending March 31, your return must be filed no later than April 30. Or, if you report taxes on a monthly basis and are reporting sales made in July, you would be required to file your return by August 31.

If you do not receive your tax return form within 15 days after the end of the reporting period for your business, you should contact your nearest Board office. You must file a tax return; failure to receive a return from the Board does not excuse you from the requirement to file.

(If the Board notifies you to report taxes on a prepayment basis, you will have different reporting dates from those above. Prepayment accounts are discussed on the next page.)

If I don't owe taxes, do I still file a return?

Yes. You must file a tax return even if no taxes are owed for the reporting period. So, even if you have no sales for the period, or all your sales are nontaxable, you must still file a return.

How do I pay the taxes that are due?

You may pay at any Board office or through the mail. Payments should be by check or money order made payable to the State Board of Equalization. Please do not send cash in the mail.

It is possible to pay taxes by electronic funds transfers (EFTs), rather than by paper checks. EFT payments are currently required for businesses that pay an average of \$20,000 per month in sales and use taxes. Other businesses can make EFT payments on a voluntary basis. For more information, please contact your local Board office, or ask for Pamphlet 80, *Electronic Funds Transfer Program: Information Guide*.

Can I round to the nearest dollar?

Yes. You may round to the nearest whole dollar on your tax return. An amount of less than 50 cents would be rounded to the next lowest dollar, and an amount of 50 cents or more would be rounded to the next highest dollar. For example, \$127.49 would be rounded as \$127.00, and \$127.50 would be rounded as \$128.00.

What happens if I file a late return?

You will be required to pay interest and penalties on late payments. Information appearing on the sales and use tax return explains how to calculate interest and penalties. If you need help with the calculation, please contact your local Board office.

Under limited circumstances, the Board may allow additional time (up to one month) for filing a return. If the additional time is granted and the return is filed and paid within that time, you will owe interest on the payment but will not be required to pay a penalty. If you are unable to file your return on time, you should contact your local Board office to learn whether you qualify for an extension. (The law does not recognize lack of funds as good cause.)

What happens if I do not file a tax return?

You will be contacted by the Board and asked to file the required tax return. If you do not file, your seller's permit may be revoked, which would legally prevent you from operating your business. If at this point you continued to operate your business, you would be guilty of a misdemeanor, which is punishable by a fine of \$1,000 to \$5,000 or imprisonment for up to one year, or both.

What are prepayment accounts?

Businesses with average taxable sales of \$17,000 or more per month are required to make tax prepayments to the Board. You will be notified in writing if this requirement applies to you. Please do not make prepayments without written authorization.

If I sell or distribute fuels, am I subject to special rules for payment of sales tax?

If you are a producer, distributor, broker, or jobber of certain fuels, you are required to collect a prepayment of a portion of the sales tax when you distribute or sell the fuels inside California. You must report and pay the amounts you collect on special "SG" returns. If you are a retailer or other seller of fuel who has prepaid sales tax to your suppliers, you can reimburse yourself by claiming a credit for the prepaid tax when you file your sales tax returns. For more information, you may contact your nearest Board office, or ask for Pamphlet 82, *Prepaid Sales Tax on Sales of Fuel*.

If a customer pays after the tax reporting period, or pays in installments, when is the tax due?

Tax is due for the period in which the sale takes place—*when a customer takes possession of or title to an item*. This is true whether you receive payment at that time or at a later date. Accordingly, you must report credit or charge sales for the period in which they occur, regardless of when you receive payment.

Lease payments, however, are treated differently. They are generally reported for the period in which you receive them, regardless of when the taxable lease began. You would not report any unpaid lease balances due. (Different rules apply to leases of trucks, aircraft, and other mobile transportation equipment.)

For detailed information on leases, please request a copy of Regulation 1660, *Leases of Tangible Personal Property—In General*, or Regulation 1661, *Leases of Mobile Transportation Equipment*. Or you may order a copy of Pamphlet 46, *Tax Tips for Leasing of Tangible Personal Property in California*. Please see pages 20-22 for ordering information.

If you report a charge or credit sale and later find you cannot collect payment for it, you may be able to take a "bad debt" deduction on your sales and use tax return. For more information, please see *Bad Debt Losses on Taxable Sales*, on page 14.

**I report taxes annually.
If I close or sell my
business, when do I
report taxes?**

You are required to file a final tax return when closing your business. If you close your business between January 1 and March 31, you must file your final sales and use tax return by April 30. If you close between April 1 and June 30, the filing date is July 31. If you close between July 1 and September 30, the filing date is October 31. If you close between October 1 and December 31, you must file by January 31.

You should contact your nearest Board office to obtain a sales and use tax return form to use at the time you close your business. Failure to file a timely return will result in interest and penalty charges.

**Where can I get help in
filling out a tax return?**

You may phone or visit your nearest Board office for assistance. Staff will explain how to complete the tax return correctly. Although they cannot prepare the return for you or review your records to determine what amount to report, they will be glad to explain what information is required and how to enter it on the form. Chapter 4 includes additional information on sales and use tax returns.

4. Completing Your Tax Return

This chapter is designed to introduce you to the sales and use tax return (form BT 401 series). The return itself includes instructions that will help you complete the form. Since this chapter provides a general overview of the return and may not answer all your questions, you are encouraged to contact staff at your local Board office for more information.

What are the basic steps to follow to complete a tax return?

There are four basic steps to follow in completing your tax return:

- You must first report:
 - (1) total sales for the reporting period (including lease and rental receipts), and
 - (2) total purchases that are subject to use tax (explained below)
- You will then list all exemptions to which you are entitled.
- Third, to determine the dollar amount subject to tax, you must subtract the total for deductions and exemptions from the total for sales and purchases.
- Finally, using the result from step three, you will calculate the state, county, local, and special district taxes that must be paid to the Board.

What types of sales are included under gross sales?

The law requires that you report any sale of tangible personal property, whether or not you have been paid for the property. Normally, payment for your sales will be in the form of money (such as cash and charge sales). However, there may be times when you will receive other forms of payment (such as exchanges of property), and the fair market value of those payments must be reported.

Do not include receipts for the following sales under total sales:

- California Lottery sales (scratchers, lotto tickets, and so forth)
- Money order service charges
- Sales of gift certificates (see note below)

As mentioned in the previous chapter, you must report a sale for the tax reporting period in which it occurs, even if you receive payment in a different period. For example, you may sell an item in June for \$500, and allow the customer to take possession of it immediately on credit. Since the customer took possession of the merchandise (the sale took place) in June, you must report the \$500 sale for that month, regardless of when you receive the balance due.

Note—gift certificates: Although you do not include the sale of a gift certificate under your total sales, you do report the sale that occurs when you accept the certificate for a taxable sale of merchandise or property. The sale must be reported for the reporting period in which the certificate was redeemed.

What are “purchases subject to use tax”?

In general, purchases become subject to use tax under one of the following conditions:

The purchase is made for resale but used for another purpose. As a seller, if you use a resale certificate to purchase merchandise that you intend to resell, the purchase is not subject to California sales tax. However, if you use the merchandise for another purpose before you resell it, you are liable

for use tax and must report your purchase price for the property on your return. (Using merchandise for display or demonstration purposes before resale is not generally considered a use that is subject to use tax.)

The purchase is made from an out-of-state retailer. In general, if you purchase merchandise from an out-of-state retailer and use the merchandise for a purpose other than for resale, the purchase is subject to use tax and must be reported. (*Note:* Some out-of-state retailers are authorized to collect and report use tax to California. If you have been furnished with a receipt indicating that California use tax has been collected on the sale, and if the amount collected is correct, you do not need to report the purchase on your return.)

How to report: To report a purchase that is subject to use tax, you must enter the amount you paid for the property on Line 2 of your return (“Purchases Subject to Use Tax”). If you purchased the property from an out-of-state retailer and paid another state’s sales or use tax on the merchandise, you can deduct the amount of tax paid under “sales or use taxes imposed by other states” on your return (you can be credited up to the amount of California tax due). *Note:* You can claim credit for payment of another state’s sales or use tax *only on purchases for which you owe use tax*. You cannot claim the credit for property you sell at retail.

Can I deduct exempt transactions?

Yes. As mentioned earlier, you will report (1) the total sales for your business and (2) purchases that are subject to use tax. Some sales will not be taxable and can be deducted to reduce the total amount subject to tax. For example, the total sales reported for your business may include certain labor charges that are not taxable. To ensure that you do not pay too much tax, you will need to claim a deduction for the nontaxable labor. There are many other types of deductions that can be claimed. Those deductions are explained in the following paragraphs.

Common Exemptions / Deductions

The exemptions and allowable deductions described below are arranged in the order in which they appear on form BT- 401-A, *State, Local & District Sales & Use Tax Return*. The information in this section is designed to provide an overview of the types of exemptions that can be deducted; it is not designed to provide detailed information about the requirements for each deduction. For additional information, you should contact your local Board office.

Note: You cannot claim deductions for transactions that have not been reported on your tax return. For example, you cannot claim a deduction for a sale to the U.S. Government unless that sale has been reported as part of total sales on your return. You must also keep documentation to support your claims for deductions (see chapter 7 “Keeping Records”).

Sales to Other Retailers for Purposes of Resale

Sales made to other retailers who purchased property from you using a resale certificate can be deducted. (If you sell property to another retailer for resale, and if that retailer presents you with a valid resale certificate stating that the property will be resold, you do not collect sales tax reimbursement from that retailer. Chapter 6 includes additional information on the use of resale certificates.)

Nontaxable Sales of Food Products

Exempt sales of food products can be deducted. However, some sales of food products, including most meals, are taxable and cannot be deducted.

For more information on the taxability of food products, you should contact your nearest Board office. You may also request one of the following booklets: *Tax Tips for the Dining and Beverage Industry*; *Tax Tips for Liquor Stores*; *Tax Tips for Grocery Stores*. (See chapter 10, "Publications," for ordering information.) Or you can request copies of regulations that pertain to food products. (See chapter 9, "Regulations," under "Food Products and Meals.")

Nontaxable Labor

Labor charges for repairing, reconditioning, or installing tangible personal property are not subject to tax and can be deducted. For example, labor charges for installing a premanufactured part such as a car radiator would be nontaxable. However, labor charges associated with the creation of tangible personal property (such as charges for making a ring or furniture) are taxable and cannot be deducted. Staff at your Board office can provide you with more information on the taxability of labor charges.

Sales to the United States Government and Other Entities

Sales to the U.S. Government or to some of its agencies and instrumentalities are exempt from tax and can be deducted if they have been reported in total sales. Examples of other exempt sales, such as those made to the American Red Cross and to qualified federal credit unions, are listed in the instructions that accompany your return.

Sales made to the state of California or to cities and counties and other local governments in the state are *not* exempt. They are treated like any other sale. That is, you report them under total sales and then claim any deductions that might apply. (For example, charges for nontaxable labor could be deducted.)

Sales in Interstate or Foreign Commerce

In general, the sale of tangible personal property you ship to an out-of-state location for use outside of California is exempt from California sales tax and can be listed as a deduction on your tax return. For more information on the conditions that must be met for an exemption to apply, you should refer to the instructions on your return or request a copy of Regulation 1620, *Interstate and Foreign Commerce*.

Sales Tax Reimbursement

Sales tax reimbursement included on Line 1 as part of your total gross sales can be deducted. If you do not report sales tax reimbursement as part of your sales, you may not take this deduction.

Bad Debt Losses on Taxable Sales

If you have reported a taxable sale and have been unable to collect payment for the sale, you may claim a deduction for the bad debt. Bad debts may take the form of:

- Checks returned unpaid by the purchaser's bank which you have determined to be uncollectible; or
- Accounts from charge or credit sales found worthless

The bad debts must be charged off for income tax purposes, or if you are not required to file income tax returns, the bad debts must be charged off in accordance with generally accepted accounting principles.

You should claim the deduction on the return filed for the period in which the amount was found worthless and written off. If you do later receive payment, you must report it on the sales and use tax return filed for the period in which the payment was made.

Some charges cannot be deducted as bad debt losses. For example, you cannot deduct uncollected installation and insurance charges since these are not subject

	<p>to sales tax. Likewise, you cannot deduct expenses incurred in an attempt to enforce the collection of bad debts. Since there are many rules governing deductions for bad debt losses, you should request a copy of Regulation 1642, <i>Bad Debts</i>. Or you should contact a Board field office for more information.</p>
<p>Cost of Tax-Paid Purchases Resold Prior to Use</p>	<p>You may have purchased tangible personal property and paid California sales tax reimbursement or use tax on the purchase. Generally, if you sell the property prior to using it, you can deduct the cost of the purchase on your return.</p>
<p>Returned Merchandise</p>	<p>You can claim a deduction for returned merchandise (the sale must have been previously reported on your return as part of your total taxable sales). Certain conditions must be met. For example, you must refund the full amount to your customer, including any sales tax reimbursement you collected (the refund can be in cash or credit), and you must not require your customer to purchase more expensive property to obtain a refund. For more information, please request a copy of Regulation 1655, <i>Returns, Defects, and Replacements</i>.</p> <p>In claiming a deduction for returned merchandise, claim only the amount of your sales before sales tax reimbursement was added. For example, if the returned merchandise had been sold for \$15 plus sales tax reimbursement, you would claim only \$15 as a deduction.</p>
<p>Cash Discounts</p>	<p>Some businesses offer price discounts for cash payments or for payments that are made within specified time periods, such as 10 or 30 days. If your business offers such discounts, you may or may not be allowed to claim a cash discount on your return.</p> <p>If you report the <i>reduced</i> selling price (the price after the cash discount) as part of your total sales, you cannot claim a cash discount deduction since you will have already excluded that amount from your total sales.</p> <p>If you report the <i>full</i> price of the item (the price before the discount was given) as part of your total sales, you can claim a deduction for the cash discount since the price you are reporting overstates the actual selling price.</p> <p>If a cash discount is given after the sale has been reported to the Board, you may have overpaid the tax due on the sale. To ensure that you receive proper credit, you will need to take a deduction for the discount given. If this situation applies to you, you should contact your nearest Board office for advice on how to report the cash discount.</p> <p>Regardless of how you report a cash-discounted sale, sales tax must be based on the actual selling price of the property. Moreover, you cannot deduct a cash discount for nontaxable transactions, such as a cash discount on repair labor.</p> <p>For more information on cash discounts, please request copies of Regulation 1671, <i>Trading Stamps and Related Promotional Plans</i> and Regulation 1700, <i>Reimbursement for Sales Tax</i>.</p>
<p>Other Deductions</p>	<p>The deductions listed above are the most common. There are other exemptions that may apply to your business, such as sales of prescribed medicine. If you would like additional information on exempt and deductible sales, you should contact your nearest Board office or request a copy of Pamphlet 61, <i>Sales and Use Taxes: Exemptions and Exclusions</i>. For more information on how to request a publication, please see chapter 10.</p>

5. *Buying, Selling, or Discontinuing a Business*

Whenever you buy, sell, or discontinue a business, you will need to contact the Board. Your seller's permit will need to be updated, and the Board will need to determine whether any taxes are due. (If the business in question is incorporated, please read the last two questions of this chapter in addition to the information below.)

Do I need to contact the Board if I am buying a business?

Yes. To protect yourself from having to pay any sales and use tax owed by the business you are buying, you should write to the Board (call a Board office listed in chapter 8 for an address) and request a certificate of tax clearance. If you do not obtain a clearance before you buy the business, and if taxes are owed and the previous owner has failed to pay those taxes, you could be required to pay any taxes, interest, and penalties that are due.

After receiving your written request for a clearance, the Board will determine whether the business you are buying owes any sales and use taxes, interest, or penalties. If any money is owed, the current owner will be notified and advised to pay the amount due or you will be advised of an amount to withhold from the purchase price to cover the potential liability. This amount must be paid to the Board before a certificate of tax clearance can be issued.

If the business you are buying has more than one location and you are buying one or more of those locations (but not all), you should request a clearance for each location. If the business you are buying has more than one location and you are buying all the locations, only one clearance is needed.

If you are buying a business through an escrow company, you should ensure that the company requests the certificate of clearance on your behalf. It is important to remember that if taxes are owed by the current owner and escrow closes without a certificate of tax clearance, you may be held liable for unpaid taxes (for an amount up to the purchase price for the business, which includes any assumption of indebtedness).

Am I required to set money aside to cover unpaid taxes owed by the previous owner?

Yes. If the Board does not issue the certificate of tax clearance described above, you are required to withhold enough of the purchase price of the business to cover any amount owed to the Board by the former owner until he or she produces:

- A receipt from the Board showing all liability has been paid, or
- A certificate from the Board stating that no amount is due

If the Board has provided you with a certificate of tax clearance for the business, you are no longer legally required to set aside funds to cover unpaid sales and use taxes.

Do I need to apply for a new seller's permit if I buy another business?

Yes. A new permit would be required to show you as the correct owner. You will need to provide the same information required of all seller's permit applicants. See chapter 1.

Do I need to tell the Board I am closing or selling my business?

Yes. The Board will close out your account and cancel your seller's permit. If possible, please return your permit to the nearest Board office.

If you had made a cash or interest-bearing security deposit to the Board when you obtained your seller's permit, the entire deposit or any unused portion will be returned to you depending on whether any taxes remain to be paid.

If you are selling your business, the Board will request the names of the new owners if those names are available.

If you do not notify the Board when you sell your business or stock of goods, you may be liable for taxes, interest, and penalties incurred by the purchaser or successor.

REMINDER: It is a misdemeanor to use your seller's permit if you are no longer actively engaged in business.

If I withdraw from a partnership, do I need to notify the Board?

Yes. If you do not notify the Board, you may be liable for taxes, interest, and penalties incurred by the business.

The following information applies to corporations and limited liability companies:

Will I personally be required to pay taxes owed by a corporation or limited liability company?

If you are a corporate officer or director, or an officer, member, or manager of a limited liability company, you may be held personally liable for any unpaid sales and use taxes, along with interest and penalties, if the corporation or limited liability company is dissolved, terminated, or abandoned.

You may be held liable if:

- You were charged with responsibility for filing returns or paying of tax or
- You were under a duty to act for the corporation or limited liability company in complying with the Sales and Use Tax Law

The Board must establish that you had willfully failed to pay any tax due from the corporation or limited liability company or caused the tax not to be paid.

Am I liable for the entire amount of unpaid tax owed by a corporation or a limited liability company?

Not necessarily. You are liable only for taxes, interest, and penalties owed for the period of time for which you were responsible for the filing of returns or for compliance with the Sales and Use Tax Law.

6. Using a Resale Certificate

Why are resale certificates required?

If you purchase tangible personal property for resale, the transaction is not subject to sales or use tax provided the sale is properly documented. As a result, your supplier will ask you to provide a resale certificate as proof that the property was purchased for resale. As explained below, the certificate must be taken on a timely basis, and it must include certain specific information.

As a seller, you may also accept resale certificates from other sellers who wish to purchase tangible personal property from you for resale.

What information must a resale certificate include?

The certificate may be in any form, such as a note, letter, or memorandum. However, the certificate must contain the following information:

- The name and address of the purchaser.
- The number of the seller's permit held by the purchaser (if the purchaser is not required to have a seller's permit, see note below).
- A description of the property to be purchased.
- A statement that the described property is being purchased for resale. The certificate must contain words that state the property *will be resold* or is *for resale*. The use of words such as *nontaxable* or *exempt* or similar terms is not acceptable.
- The date of the document.
- The signature of the purchaser or someone approved to act in his or her behalf.

The Board of Equalization does not furnish resale certificate forms. However, certificates are available in many office supply and stationery stores (you should ensure that the certificates are designed to provide the required information noted above). The Board-approved form is reproduced in Regulation 1660, Resale Certificates.

Note: Some businesses are not required to hold a seller's permit (for example, a business may not make sales in this state or it may not sell property that is subject to sales tax when sold at retail). If you are selling to a purchaser who is not required to hold a seller's permit but who wishes to make a purchase using a resale certificate, the purchaser must indicate on the certificate that he or she does not hold a seller's permit and why a permit is not required.

What are my responsibilities as a buyer using a resale certificate?

You should not use a resale certificate if there is any question whether you will resell the property. If you are purchasing a combination of items where some are for resale and others are taxable (for personal use, for example), you must clearly indicate to the vendor which items are being purchased for resale.

There may be times when you are not sure whether the items you are purchasing are for resale or for personal use. In such cases, you should pay sales tax reimbursement or use tax to your supplier. If, at a later date, you resell an item before making use of it, you can take a deduction on the tax return on which you report the sale.

Do I need to submit a resale certificate each time I make a purchase?

No. If you make several purchases from one vendor, you may file one resale certificate with that vendor to keep on file. If purchase orders are used, in the part of the resale certificate where you describe the property being purchased, you may enter "*See purchase order.*" When you make purchases from that vendor, you must then clearly indicate on the purchase order which items are

What are my responsibilities as a seller accepting a resale certificate?

being purchased for resale. The Board assumes that items not marked for resale are being sold to you at retail and are therefore subject to tax.

As a seller, you should always note the general character of the purchaser's business. If the nature of the business is such that the property purchased would not normally be resold, you should question the use of the certificate.

For example, a resale certificate describing the business as a service station should not be accepted for the purchase of a sofa or a similar item not regularly sold by service stations. If the purchaser insists that the item is to be resold, you should either ask for a resale certificate that lists the particular item under *description of property to be purchased*, or consider the sale as taxable.

You should not accept the certificate if you know or have reason to believe the property is being purchased for other than resale.

You are required to take a resale certificate in a timely fashion. That is, it must be taken:

- Before you bill the purchaser for the property, or
- At any time within your normal billing and payment cycle, or
- At any time prior to delivery of the property to the purchaser

You must retain resale certificates you accept from others to substantiate claims that a sale was for resale and therefore not subject to tax.

Can I find out if a seller's permit number is current?

Yes. To help you ensure that a seller's permit is valid, the Board has established a telephone verification service. The service is available Monday through Friday, except holidays, from 8:30 a.m. to 4:30 p.m.

When you call one of the numbers listed below, you will be asked to provide the number of the permit to be verified and the name and business address of the purchaser. To accommodate as many callers as possible, no more than three permit numbers may be verified at one time. Additional information cannot be given.

Oakland area:	(510) 286-1260	San Jose area:	(408) 277-1003
Sacramento area:	(916) 324-2397	Santa Ana area:	(714) 558-4296
San Diego area:	(619) 525-4532	Van Nuys area:	(818) 901-5525

Are there any penalties for the illegal use of a resale certificate?

Yes. If you (or any officer or employee of a corporation) give a resale certificate to purchase property that you know at the time will not be resold in the regular course of business, you will be liable for the following:

- The amount of tax that would be due had the certificate not been used
- Interest payments on the tax due

In addition, you may have your seller's permit cancelled and may be required to pay:

- A penalty of 10 percent of the tax or \$500, whichever is greater, for each purchase made for personal gain or to evade payment of tax, and/or
- A 25 percent penalty for fraud or intent to evade the tax

It is a misdemeanor to issue a resale certificate to a seller to evade payment of tax. Each offense is punishable by a fine of \$1,000 to \$5,000 or imprisonment for up to one year in the county jail, or both.

7. Keeping Records

Because you are required to pay the correct amount of tax and account for your business purchases and sales, it is essential you keep adequate records. For more information on keeping records, you may request a copy of Regulation 1698, Records, from your local Board office. In addition, tax tip pamphlets prepared for specific types of businesses include information on recordkeeping.

Am I required to keep business records?

Yes, you are required to keep business records so that representatives from the Board of Equalization may:

- Verify the accuracy of sales and use tax returns
- Determine if tax is due if a return has not been filed

Failure to maintain accurate records may be considered evidence of negligence or intent to evade the tax and could result in penalties.

What types of records do I keep?

Your records must include:

- The normal books of account (books of account can include information stored on computers)
- Documents of original entry (for example, bills, receipts, invoices, job orders, contracts, or other documents) supporting the entries in the books of account
- All schedules or working papers used to prepare your tax returns

What should my records show?

Your records must show:

- Gross receipts from all sales or leases of tangible personal property—even sales or leases you may consider to be exempt from tax
- All deductions claimed in filing returns
- The total purchase price of all tangible personal property purchased for sale, consumption, or lease

How long do I keep my business records?

You must keep sales and use tax records for four years unless the Board gives written authorization for their earlier destruction. This applies to all records that pertain to transactions involving sales or use tax liability.

In addition, if your records are being audited by the Board, you should retain all records for the period being audited until the audit is completed.

Should I keep resale or exemption certificates that I have accepted?

Yes. You need to keep the certificates to document claimed nontaxable sales. If you do not keep these records, you are subject to tax, interest, and penalty charges if you cannot otherwise prove a sale was not subject to tax.

8. Field Offices



For calls made in California, please use our new toll-free number.

1-800-400-7115



For TDD assistance
(telephone device for the deaf)
please call:

From TDD phones:

1-800-735-2929

From voice phones:

1-800-735-2922

Staff located in the Board of Equalization field offices listed below will be glad to answer your questions regarding the taxes administered by the Board. If you already have a seller's permit and are calling regarding your account, you will receive quicker assistance if you have the number of your permit available when you call.

CITY	AREA CODE	NUMBER	CITY	AREA CODE	NUMBER
Bakersfield	805	395-2880	San Marcos	619	744-1330
City of Industry	310	908-5280	San Mateo	415	573-3800
Concord	510	687-6962	San Rafael	415	472-1513
Culver City	310	342-1000	Santa Ana	714	558-4059
El Centro	619	352-3431	Santa Cruz	408	462-9496
Eureka	707	445-6500	Santa Rosa	707	576-2100
Fresno	209	248-4219	Stockton	209	948-7720
Laguna Hills	714	770-2157	Torrance	310	516-4300
Marysville	916	741-4301	Union City	510	429-7090
Modesto	209	576-6360	Vallejo	707	648-4065
Norwalk	310	466-1694	Van Nuys	818	901-5293
Oakland	510	286-0347	Ventura	805	654-4523
Rancho Mirage	619	346-8096	Visalia	209	732-5641
Redding	916	224-4729			
Riverside	909	680-6400			
Sacramento	916	255-3350			
Salinas	408	443-3008			
San Diego	619	525-4526			
San Francisco	415	396-9800			
San Jose	408	277-1231			

Offices for Out-of-State Accounts

Chicago, IL	312	201-5300
Houston, TX	713	531-3450
New York, NY	212	697-4680
Sacramento, CA	916	322-2010

Taxpayers' Rights Advocate

If you are unable to resolve a disagreement with the Board, or if you would like to know more about your rights under the Sales and Use Tax Law, please contact the Taxpayers' Rights Advocate office for help.

Call 916-324-2798

or write to:

Taxpayers' Rights Advocate

Board of Equalization
450 N Street MIC: 70
P.O. Box 942879
Sacramento, CA
94279-0070

9. Regulations

The regulations listed in this chapter apply to sales and use taxes. Free copies may be obtained through your local Board office. Or you may obtain a copy by writing to:
Supply Unit
Board of Equalization
3920 West Capitol Avenue,
Suite 200
West Sacramento, CA 95691

FAX: 916-372-6078

1500 Foreword

Service Enterprises

- 1501 Service Enterprises Generally
- 1502 Computers, Programs, and Data Processing
- 1502.1 Word Processing
- 1503 Hospitals, Institutions and Homes for the Care of Persons
- 1504 Mailing Lists and Services
- 1505 Morticians
- 1506 Miscellaneous Service Enterprises

Contractors and Subcontractors

- 1521 Construction Contractors
- 1521.4 Factory-Built Housing

Manufacturers, Producers, Processors

- 1524 Manufacturers of Personal Property
- 1525 Property Used in Manufacturing
- 1525.1 Manufacturing Aids
- 1525.2 Manufacturing Equipment
- 1525.5 Manufacturing By-Products and Joint-Products
- 1526 Producing, Fabricating and Processing Property Furnished by Consumers—General Rules
- 1527 Sound Recording
- 1528 Photographers, Photostat Producers, Photo Finishers and X-Ray Laboratories
- 1529 Motion Pictures
- 1530 Foundries
- 1531 Fur Dressers and Dyers

Graphic Arts and Related Enterprises

- 1540 Advertising Agencies, Commercial Artists and Designers
- 1541 Printing and Related Arts
- 1541.5 Printed Sales Messages
- 1543 Publishers

Installers, Repairers, Reconditioners

- 1546 Installing, Repairing, Reconditioning in General
- 1548 Retreading and Recapping Tires
- 1549 Fur Repairers, Alterers and Remodelers
- 1550 Reupholsterers
- 1551 Repainting and Refinishing
- 1553 Miscellaneous Repair Operations

Specific Businesses Engaged In Retailing

- 1565 Auctioneers
- 1566 Automobile Dealers and Salesmen
- 1567 Banks and Insurance Companies
- 1568 Beer, Wine and Liquor Dealers
- 1569 Consignees and Lienors of Tangible Personal Property for Sale
- 1570 Charitable Organizations
- 1571 Florists
- 1572 Memorial Dealers
- 1573 Court-Ordered Sales, Foreclosures and Repossessions
- 1574 Vending Machine Operators

Specific Kinds of Property and Exemptions Generally

- 1586 Works of Art and Museum Pieces for Public Display
- 1587 Animal Life and Feed
- 1588 Seeds, Plants and Fertilizer
- 1589 Containers and Labels
- 1590 Newspapers and Periodicals
- 1591 Medicines and Medical Supplies, Devices and Appliances
- 1592 Eyeglasses and Other Ophthalmic Materials
- 1593 Aircraft
- 1594 Watercraft
- 1595 Occasional Sales—Sale of a Business—Business Reorganization
- 1596 Buildings and Other Property Affixed to Realty
- 1597 Property Transferred or Sold by Certain Nonprofit Organizations
- 1598 Motor Vehicle and Aircraft Fuels
- 1599 Coins and Bullion

Food Products and Meals

- 1602 Food Products
- 1602.5 Reporting Methods for Grocers
- 1603 Taxable Sales of Food Products

Board regulations are designed to implement, interpret, or make specific provisions of the California Sales and Use Tax Law. They are revised periodically.

Special Provisions Affecting Vehicles, Vessels, and Aircraft

- 1610 Vehicles, Vessels, and Aircraft
- 1610.2 Mobilehomes and Commercial Coaches

Matters Involving the Federal Government

- 1614 Sales to the United States and Its Instrumentalities
- 1616 Federal Areas
- 1617 Federal Taxes
- 1618 United States Government Supply Contracts
- 1619 Foreign Consuls

Interstate and Foreign Commerce

- 1620 Interstate and Foreign Commerce
- 1620.2 Beverages Sold or Served by Carriers
- 1621 Sales to Common Carriers

Matters Involving Transportation of Property

- 1628 Transportation Charges
- 1629 Goods Damaged in Transit
- 1630 Packers, Loaders, and Shippers
- 1632 C.O.D. Fees

Credit Transactions

- 1641 Credit Sales and Repossessions
- 1642 Bad Debts

Exchanges, Returns, Defects

- 1654 Barter, Exchange, “Trade-ins” and Foreign Currency Transactions
- 1655 Returns, Defects and Replacements

Leases of Tangible Personal Property

- 1660 Leases of Tangible Personal Property—In General
- 1661 Leases of Mobile Transportation Equipment

Resale Certificates; Demonstration, Gifts and Promotions

- 1667 Exemption Certificates
- 1668 Resale Certificates
- 1669 Demonstration, Display and Use of Property Held for Resale—General

- 1669.5 Demonstration, Display and Use of Property Held for Resale—Vehicles
- 1670 Gifts, Marketing Aids, Premiums and Prizes
- 1671 Trading Stamps and Related Promotional Plans

Payment and Collection of Use Tax

- 1684 Collection of Use Tax by Retailers
- 1685 Payment of Tax by Purchasers
- 1686 Receipts for Tax Paid to Retailers
- 1687 Information Returns

Administration—Miscellaneous

- 1698 Records
- 1699 Permits
- 1699.5 Direct Payment Permits
- 1700 Reimbursement for Sales Tax
- 1701 “Tax-Paid Purchases Resold”
- 1702 Successor’s Liability
- 1703 Interest and Penalties
- 1704 Whole Dollar Reporting—Computations on Returns or Other Documents

Bradley-Burns Uniform Local Sales and Use Tax

- 1802 Place of Sale for Purposes of Bradley-Burns Uniform Local Sales and Use Taxes
- 1803 Application of Tax
- 1805 Aircraft Common Carriers
- 1806 Construction Contractors

Transactions (Sales) and Use Tax

- 1821 Foreword
- 1822 Place of Sale for Purposes of Transactions (Sales) and Use Taxes
- 1823 Application of Transactions (Sales) Tax and Use Tax
- 1823.5 Place of Delivery of Certain Vehicles, Aircraft, and Undocumented Vessels
- 1825 Aircraft Common Carriers and Waterborne Vessels
- 1826 Construction Contractors
- 1827 Collection of Use Tax by Retailers

10. Publications

Translations Available

Certain publications are printed in other languages. If a translated version is currently available, one or more of the following letters will appear after the title to indicate the translation:

- S — Spanish;
- C — Chinese;
- V — Vietnamese;
- K — Korean.

This publication is available in all four translations.

Other Publications

The Board issues publications for other taxes, such as the alcoholic beverage and motor vehicle fuel taxes. If you are interested in obtaining a listing of other publications, please request a copy of Pamphlet 77, *Publications of the Board of Equalization*.

How to Order

You can obtain copies of pamphlets and regulations from any field office (see chapter 8). If you plan to visit a field office, you should call ahead to confirm that the publication you need is in stock.

If the field office is out of stock, please contact:
Supply Unit
Board of Equalization
3920 West Capitol Avenue,
Suite 200
West Sacramento, CA 95691

FAX: 916-372-6078

Pamphlets Available (No Charge)

(See left column for information on available translations.)

General

No. Title

- 1 Sales and Use Tax Law
- 2 Uniform Local Sales & Use Tax Law and Transactions & Use Tax Law
- 17 Appeals Procedures
- 21 State Board of Equalization (agency overview)
- 44 Tax Tips for District Taxes
- 58-A How To Inspect and Correct Your Records
- 61 Sales and Use Taxes: Exemptions and Exclusions
- 70 The California Taxpayers' Bill of Rights (S, V)
- 71 California City and County Sales and Use Tax Rates
- 73 Your California Seller's Permit (S, K, C, V)
- 74 Closing Out Your Seller's Permit (S, K, C, V)
- 75 Interest and Penalty Payments
- 76 Audits and Appeals
- 80 Electronic Funds Transfers Program Information Guide
- 81 Franchise and Income Tax Appeals
- 82 Prepaid Sales Tax on Sales of Fuel

Tax Tip Booklets for Specific Types of Business Activities

No. Title (Tax Tips for ...)

- 9 Construction and Building Contractors
- 18 Nonprofit Organizations
- 22 the Dining and Beverage Industry (S, K, C, V)
- 24 Liquor Stores (S, K, C, V)
- 25 Auto Repair Garages and Service Stations (K, S)
- 27 Drug Stores
- 31 Grocery Stores
- 32 Sales to Purchasers from Mexico (S)
- 34 Motor Vehicle Dealers
- 35 Interior Designers and Decorators
- 36 Veterinarians

No. Title (Tax Tips for...)

- 37 Graphic Artists
- 38 Advertising Agencies
- 40 the Watercraft Industry
- 45 Hospitals
- 46 Leasing of Tangible Personal Property in California
- 47 Mobilehomes and Factory-Built Housing
- 62 Locksmiths
- 64 Jewelry Stores
- 66 Retail Feed and Farm Supply Stores
- 68 Photographers, Photo Finishers and Film Processing Laboratories

Tax Schedules, Newsletters, Calendars, and Reports

- Tax Information Bulletin (quarterly)²
- State of California Sales Tax Reimbursement Schedules
- Annual Calendar of Board Meetings
- Taxable Sales in California (quarterly)²
- Annual Report of the State Board of Equalization
- Hearing Procedures of the State Board of Equalization

Publications Available at Cost³

- Business Taxes Law Guide
- Business Taxes Audit Manual
- Compliance Policy and Procedures Manual

¹ Single copies of these publications are available at no charge.

² When requesting this publication, please indicate the specific issue you need.

³ For information and price quotes, write to: Forms and Publications Unit; Board of Equalization; 450 N Street MIC: 58; P.O. Box 942879; Sacramento, CA 94279-0058.

California State Board of Equalization
450 N Street • Sacramento, California
(Mailing Address: P.O. Box 942879 • Sacramento, CA 94279-0001)